The positive impact and development of hopeful leaders

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Abstract
Although hope is commonly used in terms of wishful thinking, as a positive psychological concept consisting of the dimensions of both willpower (agency) and waypower (pathways), it has been found to be positively related to academic, athletic and health outcomes. The impact of hopeful leaders, however, has not been empirically analyzed. This exploratory study ($N = 59$) found that high- as compared to low-hope leaders had more profitable work units and had better satisfaction and retention rates among their subordinates. The implications of these preliminary findings of the positive impact that hopeful leaders may have in the workplace are discussed.

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Introduction

In today's turbulent environment facing organizations (uncertain, slumping economy, rampant mergers and acquisitions, constant competitive pressures, escalating technology, and especially, post-9/11 trauma), the word hope seems to be in every presentation and conversational interaction. The common, everyday use of the word refers to the feeling that things will turn out okay or for the best. However, in the emerging positive psychology movement (see special issues in the January 2000 and March 2001 *American Psychologist* and the Winter 2001 *Journal of Humanistic Psychology*) and Luthans' recent proposal for positive organizational behavior or POB (see Luthans, 2001, 2002a, b; Luthans and Jensen, 2001) and positive approach to leadership or PAL (Luthans *et al.*, 2002) hope is included as a core construct. This growing literature on hope is based on a rich theoretical foundation, operational definition and valid measures. Specifically, the POB and PAL articles propose that this hope construct has direct relevance to the workplace. However, although there is considerable evidence that hope strongly relates to academic and athletic success, mental and physical health, and coping with difficult situations, to date there is no direct empirical evidence that a leader's hope positively relates to performance outcomes in the workplace.

The purpose of this article is to first define exactly what is meant by hope as a positive psychological construct and how it differs from closely related constructs of goal setting, self-efficacy, optimism, and positive affectivity. Next, the hope measures are briefly reviewed. Then, the relevance and work done so far on hope in the workplace sets the stage for the description of the methods and results of, to our knowledge, the first empirical study to examine the relationship between leader hope and work unit financial performance and subordinate satisfaction and retention. The last part of the paper discusses the implications and future of the role of the hopeful leader in the workplace.

The meaning and measures of hope

Hope has been historically used in psychology as general expectations of meeting goals (Lewin, 1935; Stotland, 1969). However, in recent years clinical psychologist C. Rick Snyder and his colleagues (Snyder, 1994a, b, 2000; Snyder *et al.*, 1991a, 1996) have suggested that hope is made up of two necessary dimensions. First, people act on goals they set by using their agency (motivation and drive). Second, alternate pathways (different ways or paths) are formed to reach these goals or other goals. In this definition that we use from positive psychology for POB (Luthans, 2002b) and PAL (Luthans *et al.*, 2002), hope consists of both *willpower* (agency) and *waypower* (alternate pathways). The two will and way dimensions are iterative, additive, and positively related, but are still conceptually distinct constructs (Snyder, 2000). Thus, it is not sufficient in terms of this definition of hope to have just agency or pathways; both must be present. Consider, for example, a sales associate who can think of many different ways to get new customer accounts (i.e. high pathways), but who is not motivated to take any of these paths (low agency). Conversely, another sales associate is highly motivated to call on customers (i.e. high agency), but cannot think of methods to actually close the deal (i.e. low or no pathways). It follows that a high-hope sales associate will have both the willpower *and* the waypower.

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While there are some similarities, Snyder's (2000) hope theory is conceptually distinct from several other related positive constructs. First, while hope has some common roots with goal-setting theory (Lee *et al.*, 1989; Locke and Latham, 1990), hope has been demonstrated to have discriminant validity (Magaletta and Oliver, 1999; Scioli *et al.*, 1997). For example, the emphasis on goal setting theory is on the outcome expectancies related to how one attains the desired goal. While this component of goal setting is similar to the pathways component of hope, it ignores the agency component of hope. Second, there is also similarity between hope and self-efficacy (Bandura, 1997). Specifically, the willpower or agency component of hope is similar to efficacy expectancies and the hope pathways are close to efficacy outcome expectancies. However, Bandura (1997) would argue that the efficacy expectancies are all important, while Snyder's (2000) hope theory treats agency (efficacy) and pathways (outcomes) as equally important that operate in a combined, iterative manner.

Optimism is also commonly equated with hope. Optimism expectancies are formed through others and forces outside the self (Seligman, 1998), while Snyder's (2000) hope is initiated and determined through the self. Thus, while optimism can be considered as a vital part of hope, it too, is conceptually distinct. Positive and negative affectivity (PANA) (e.g. see Russell and Carroll, 1999) is another construct seemingly related to hope whereby one's derived sense of positive and negative emotions are related to perceptions of success or failure in a given situation. While affectivity also includes notions about outcome expectancies, the emphasis is on one's situational thoughts and emotions related to perceptions of goal success and failure as being the major causes of behavior (George, 1990). As such, positive and negative affectively may be similar to the agency component in hope theory, but like other similar constructs, ignore the pathways component of hope.

Using the theory of hope detailed above, Snyder and his colleagues have developed a reliable, valid individual difference measure of dispositional (Snyder *et al.*, 1991a) as well as state (ongoing, situational) hope (see Snyder *et al.*, 1996). Each of these self-report instruments has items reflecting pathways thinking as well as agency thinking toward goals. These scales have undergone rigorous psychometric analyses regarding internal and temporal consistency, and the items consistently yield two factors (pathways and agency) as well as a summation factor (hope). Moreover, confirmatory factor analyses reveal the agency and pathways components to be distinct constructs that combine to reflect the theorized overall construct of hope (Babyak *et al.*, 1993). To date, research has shown that hope as measured by both the dispositional as well as the state scales is an effective predictor of various academic and coping activities (for reviews see Snyder, 1994b; Snyder *et al.*, 1991b) and that hope makes such predictions beyond variance due to other related psychological capabilities.

Indirect support for the potential power of hope in the workplace

As indicated in the introductory comments, hope has been demonstrated to have a positive impact on many nonwork-related outcomes (Snyder, 2000). Particularly relevant to the workplace are the findings that high hope individuals tend to be more certain of their goals and challenged by them; value progress toward goals as well as the goals themselves; enjoy interacting with others and readily adapt to new and collaborative relationships; are less anxious, especially in evaluative, stressful situations; and are more adaptive to environmental change (Snyder, 1997; Snyder *et al.*, 2000). While such a profile would seem to be ideal for leaders faced with today's turbulent environment, to date, except for Luthans' POB and PAL articles and some emerging attempts to begin to examine hope in the workplace context (Adams *et al.*, in press), hope has received virtually no attention in the OB and HRM literature nor has it been directly researched as to its impact on leadership performance.

Hope has remained virtually unexplored in organizational leadership for two main reasons. First, until recently, a theoretical model of hope and the associated measures have not been available. Second, like psychology, the field of organizational behavior and HRM has traditionally been dominated by understanding and ameliorating human dysfunctions and problems in the workplace. Representative examples include discovering how to better motivate and lead marginal, inert employees; correct deficient organizational strategies, cultures, structures and job designs; how to improve dysfunctional employee attitudes and behaviors such as resistance to change; and how to more effectively manage conflict and cope with stress and burnout (Luthans, 2001). In contrast, the aim of the proposed POB and PAL (Luthans, 2002b; Luthans *et al.*, 2002) which incorporate the hope construct

along with optimism, self-efficacy, subjective well-being, and emotional intelligence is to move away from a negative to a positive approach that is open to development and effective performance management.

Based on the considerable indirect evidence, face validity and even one study of social workers which found those with high hope were less emotionally exhausted, had higher levels of job satisfaction and retention, and simply seemed to perform better (Kirk and Koeske, 1995), we felt a direct test of the relationship between the hope level of leaders and work unit outcomes was overdue. Thus, the purpose of the present study was to begin to investigate the role of leader hope in work-unit performance and employee retention and job satisfaction. More specifically, the study was conducted to test the propositions from POB and PAL that high-hope leaders should: have higher performing work units; have higher retention rates in these units; and have more satisfied subordinates.

The method used in the exploratory study

For this initial exploratory study, we used a large chain of a well-known fast-food franchise company that had 21 restaurants in two midwestern states. Our study group was the 59 managers of these work units (restaurants). Of this sample 75 per cent were male. Their mean age (M = 34.8 years), level of education (M = 15.3 years) and tenure with the company (4.2 years) did not significantly differ; $F < 1.00$, in all cases.

The state hope measure

The state hope scale (Snyder *et al.*, 1996) has been shown to be theoretically related to the more traditional measure of hope (i.e. dispositional hope). Moreover, previous research has shown that state hope scores have related positively to various areas of achievement (Snyder *et al.*, 1996). State hope was used in this study in order to meet the criterion of POB of being open to development and change (Luthans, 2002b). This easy to administer scale has six items that include three agency items and three pathways items. The items are reworded from the dispositional hope scale (which puts statements in a more generalized sense) so as to tap the present state (e.g. two agency items are "at the present time, I am energetically pursing my goals", and "at this time, I am meeting the goals that I have set for myself"; two pathways items are "there are lots of ways around any problem that I am facing now" and "I can think of many ways to reach my current goals"). Participants are asked to select the number (from 1 = definitely false, to 8 = definitely true) that best describes, "how you think about yourself right now". The state hope is derived from the sum of the six item scores.

The state hope scale has been demonstrated to have high internal reliability, as well as concurrent validity in relation to other related state measures. It has discriminant utility that has been determined through empirical research to be sensitive enough to capture the variability in level of hope at particular points in time and does so beyond projections due to other state indices (Snyder *et al.*, 1996). The Cronbach's alpha for the state hope scale in this study was 0.76.

The job satisfaction measure

Job satisfaction of the employees in the units was measured using three items taken from the Hackman and Oldham (1980) job diagnostic scale. These three items were chosen in an attempt to capture overall job satisfaction, and together for this study they had an alpha coefficient of 0.98.

Procedures used in the study

The participants were given a generic (not specifically mentioning hope) management development type of description of the study and were told that their participation was voluntary. After signing the consent form, the study participants completed the state hope scale. They completed these prior to receiving their monthly work-unit sales reports that document several different measures of work unit performance including gross profits and employee turnover. The study was designed for them to complete these surveys prior to receiving their statistics so as not to interfere with their state hope.

The study participants were identified as high or low hope leaders on the basis of their scores on the state hope scale. Leaders scoring one or more standard deviations below or above the mean on the state hope scale were categorized into low-hope and high-hope study groups. The averages for these two hope groups were as follows: low hope M = 21.4, SD = 1.59, N = 35; high hope M = 39.23, SD = 1.62, N = 24.

In the same time period, the leaders' subordinates (N = 685) completed the job satisfaction scale. This process was completed on company time. To ensure anonymity, participants placed completed questionnaires in a sealed envelope addressed to the researchers at their university address. The work unit

performance, measured in gross profitability figures, as well as the turnover statistics were provided to the researchers by the company.

Results

State hope effects

Using gross profitability, retention, and subordinate job satisfaction as the criterion variables and the state hope scores as the predictor, the results indicated that high-hope leaders had significantly better work unit financial performance, subordinate retention and satisfaction outcomes than low-hope readers: $R^2 = 0.12$, $t = 2.91$, $p = 0.012$ (correct item Ms= 62.21, 79.32 respectively, for the low- vs high-hope leaders for gross profitability); $R^2 = 0.14$, $t = 2.12$, $p = 0.015$ (correct item Ms = 291.31, 186.54 for the low- vs high hope leaders for subordinate turnover/retention, where the lower the score the better); and $R^2 = 0.17$, $t = 2.87$, $p = 0.001$ (correct item Ms = 2.10, 3.98 for the low- vs high hope leaders for subordinate job satisfaction).

Possible mediational effects of previous work unit profitability

The possibility that the state hope relationship may be simply driven by the general superiority of past work-unit performance needs to be addressed. Specifically, an argument might be that if a high-hope leader's work unit was highly profitable in the past, then these leaders might likely have a reason to stay hopeful in the present or future compared to those leaders of traditionally lower performing units. In fact, these two variables related positively in the present study. State hope and the past (the average of the three months prior) work unit profitability had $R^2 = 0.04$, $t = 3.63$, $p = 0.02$ (past work unit profitability Ms = 61.42 and 77.89, respectively, for low-hope and high-hope leaders).

Subsequent regression analyses following the approach of Baron and Kenny (1986) were performed in order to examine the potential mediational role of past work unit profitability. Accordingly, beyond the before mentioned significant relationship that state hope predicted work-unit profitability, state hope must also affect the mediator (i.e. past work unit profitability), which it did, $R^2 = 0.06$, $t = 2.11$, $p = 0.034$. Additionally, the mediator (past work-unit profitability) must also predict current work unit profitability, which it did, $R^2 = 0.09$, $t = 3.11$, $p = 0.022$. Finally, the state hope and current work unit profitability relation should be reduced (or disappear for perfect mediation) when the mediator (past work unit profitability) is in the equation, which did not occur $\Delta R^2 = 0.04$, $t = 2.11$, $p = 0.034$. Therefore, given that the ΔR^2 is still 0.04 as compared to 0.04 before entering past work unit profitability into the equation, there is no support for the mediational role of past work unit profitability.

Discussion

The results of this exploratory study suggest that a leader's state hope may be a robust predictor of work-unit performance, subordinate retention, and job satisfaction. In other words, hopeful leaders seem to have a positive impact on desirable workplace outcomes. Specifically, work units run by leaders with high hope had better profits, retention of their employees (a big problem in this industry) and satisfied employees than their lower hope counterparts, in the same environments. These results suggest that leader hope may prove to be a powerful force in improving work unit performance, retention, and attitudes.

Although exploratory, it is still important to recognize the study's limitations. First, this study was conducted with leaders in a low task complexity service setting. It is possible that the results of this study may not generalize to other settings with greater task complexity. Second, the majority of the leaders were male. While previous research has failed to find a gender differences in hope, it is possible that this study speaks to male leaders' hope rather than leader hope in general. Another limitation of this study relates to our inability to measure hope at more than one point in time. Due to the reality of field (as opposed to laboratory) studies, we were only allowed to survey leaders and employees one time. Since dispositional hope is thought to be static and trait-like, we would expect this to stay constant over time. In contrast, state-hope is considered to be a dynamic construct that can change. Hence, in this study we would have expected to see state hope change depending upon situational factors such as the overall performance of the company, macroeconomic issues, or events such as 9/11 (although the data for this study was gathered before 9/11). However, previous research has clearly demonstrated the state-like nature of hope. For example, a study of athletes has successfully measured state hope on a weekly basis to track ongoing states of hope with the purpose of uncovering what triggers may contribute to enhanced or

inhibited athletic performance. Such research has aided with coaching methods in athletic endeavors. Similarly, in the workplace, it may be beneficial for organizations to know not only what employees bring to the workplace in terms of predisposed levels of hope (dispositional) for selection purposes, but also to understand that hope can also be state-like and thus meet the POB criterion of being open to leadership development (Luthans, 2002b).

Drawing from Snyder's (2000) work and recent POB (Luthans, 2002a, b; Luthans and Jensen, 2001) and leadership development applications (Luthans *et al.*, 2002), three specific development guidelines are offered to develop hopeful leaders:

1 To facilitate the agency component of hope, use participative techniques and empowerment to set specific stretch goals.
2 To facilitate the pathways component of hope require thought-through contingency plans and action plans for attaining goals.
3 For overall hope development, borrow from successful clinical psychology techniques such as: the "stepping" method to break down complex, long-term strategies and goals into manageable substeps; develop through cases, experiential exercises, and modeling the skill of "regoaling" to recognize the futility of persistence in the face of absolute goal blockage; and through cases and exercises practice the skill of mental rehearsals that will then transfer to important events back on the job.

These and other guidelines can be relatively easily implemented to develop hopeful leaders.

Conclusion

For work organizations, this exploratory study suggests that hope may tap a type of positive thinking and action in leaders that is significantly related to important workplace outcomes. Certainly, accomplishing work-related goals (in this case, areas such as faster drive-thru times or better customer service ratings that lead to higher revenues and profits) entails the establishment of pathways to goals (i.e. waypower) as well as the agentic motivation (i.e. waypower) to initiate and sustain the use of these pathways. Thus, state hope, because it is malleable, and thus open to change and development, has implications for leadership training and coaching. As suggested by POB and PAL, organizations can develop in leaders a stronger sense of agency and pathways thinking (i.e. hope) that this study indicates may result in positive organizational outcomes.

In conclusion, this exploratory study suggests that hopeful leaders may have a positive impact on performance challenges facing today's organizations. Although these results are promising, they offer only a first step in what may become an expanded field of research opportunities and effective application of positive psychology concepts to help organizational leaders meet the challenges of today's turbulent, unprecedented environment.

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